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State of Utah

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining


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Division Director

Inspection Report

Minerals Regulatory Program

Date May 20, 2010

Reviewed: 

Mine Name: Golden Gem #1 / Rosebud #2	Permit Number: S/041/0014
Operator Name: Jumbo Gold Mines	Inspection Date: April 26, 2010
Inspector(s): John Rogers and Lynn Kunzler	Time: 11:30 AM – 12:30 PM
Other Participants: none	Mine Status: inactive

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Reclamation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Bond Amount: \$3200

Purpose of Inspection: This mine is a possible candidate for reclamation using DOGM funds for sites that may never be reclaimed due small bond or no bond. These mines have a potential hazard to the public. The inspection was to assess the current condition and move forward with reclamation.

Inspection Summary: There has been no activity at these sites for several years. The operator is currently in a nursing home in Richfield, Utah. There will no possibility of reclamation by the operator due to an insufficient bond, finances and ability. There are three separate mine sites under the same permit.

1-Rosebud The mine has a 12 ft. high portal that has a locked door, but access could be attained with very little effort. There is a pad of 50' by 50' and an access road of 450'. A small mine dump flows off the pad that is 12' wide at the top and a base of 50' and is approximately 20' high. The major hazard is the portal. No trash or deleterious material is onsite.

2- Golden Gem The mine has a portal that has collapse with some logs as barriers to entry, but would not keep any one out. There is a 100' of access road and a small cut into a side hill. A small dump (12' wide at the top, 15' feet at the bottom and 20' tall that slopes into the creek. The pad area is about 30' by 30'. The major hazard is the portal. No trash or deleterious material is onsite.

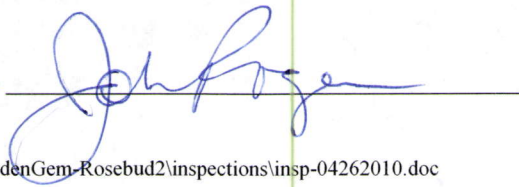
3- Goldfield This mine has the largest disturbance of the three. The access to the mine has been blocked with fallen trees and berms on the road. The length of this blockage is about 1500'. The mine has a large pad of 150' by 250'. There is a sloping portal that is runs about 50' before it plunges into the ground. There has been an attempt to secure this portal, but access would be very easy and it appears to be very dangerous. Two large dumps are on either side of the pad. One is 40' wide at the top, 50' wide at the bottom and 50' tall. The second, is 20' wide at the top, 30' wide at the bottom and 15' tall. There is a tank, a wood structure over the portal and some old equipment in the mine that would need to be removed.

Photos were taken to document site conditions.

Conclusions and Recommendations: The Forest Service (FS) is aware of these mines and is looking at options to close the portals and remove these hazards. The FS is holding about \$3,200 surety for this site, which is inadequate for fully reclaiming the site. However, with a joint effort between the FS and DOGM it is possible to reclaim these sites. The FS is doing a NEPA study on the sites and should be completed by July 2010. With the bond, DOGM funds and FS labor and equipment it is believed that we could reclaim these sites and remove these hazards. There has also been interest by a third party to take over this permit. However, they have been slow to respond. I believe it would be in the best interest of the public to move forward with the reclamation.

Inspector's Signature

JCR: vs

A handwritten signature in blue ink, appearing to read "John C. Rose", is written over a horizontal line.

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Rosebud portal



Access road to Rosebud – 450 feet long



Rosebud mine dump



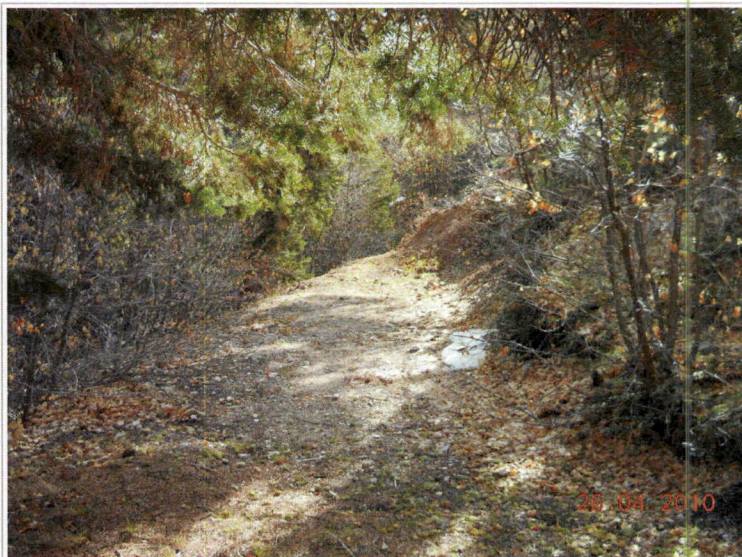
Rosebud pad



Golden Gem portal



Golden Gem cut



Golden Gem cut – dump is off to left



Golden Gem cut